

Singapore sentences ex-BSI banker to more jail time in 1MDB linked case

By [Fathin Ungku](#) - Reuters

SINGAPORE (Reuters) - A Singapore court jailed a former wealth manager of Swiss bank BSI for 4-1/2 years on Wednesday for money laundering and cheating in a case linked to investigations into the siphoning off of billions of dollars from Malaysian sovereign fund 1MDB.

A political storm has raged for two years in Malaysia over the scandal at 1Malaysia Development Berhad (1MDB), which is the focus of money laundering investigations in at least six countries, including Switzerland and the United States.

Singapore public prosecutor Nathaniel Khng described the city-state's investigation as "the most complex, sophisticated and largest money laundering case" ever carried out by its white-collar police.

The former banker, Yeo Jiawei, 34, pleaded guilty to money laundering and cheating on Wednesday.

Yeo is already serving a 30-month term on charges of perverting the course of justice by urging witnesses to lie to police and destroy evidence during the investigation into illicitly transferred funds linked to 1MDB.

"The two schemes to secretly profit were dishonestly concealed from BSI Singapore ... and resulted in the accused earning in excess of US\$3.5 million in illicit profits," the public prosecutor said.

Prosecutors previously said Yeo played a central role in the illicit movement of the 1MDB-linked funds both while he was working at the now defunct BSI Bank Singapore, and afterwards.

Prosecutor Khng said, however, that the central figure and one of the "key persons of interest" was Low Taek Jho, a Malaysian businessman who has dropped out of public view.

Low was an adviser to the state fund, whose advisory board had been chaired by Malaysian Prime Minister Najib Razak.

Najib has denied any wrongdoing in 1MDB's problems and said Malaysia would cooperate with the international investigations.

A U.S. Department of Justice investigation in June highlighted Low's role in the scandal.

The Singapore prosecutor said the case against Yeo related to two transactions that appeared to have been aimed to cover up the fact that \$1 billion belonging to 1MDB had been transferred into a bank account that Low "beneficially owned".

Low's whereabouts are not known, but a U.S.-based public relations firm issued a statement on his behalf, in response to Reuters' request to one of his companies seeking comment.

"Any attempts to link Mr. Low to the recent guilty pleas by parties allegedly making secret profits are based on unfounded assumptions," said Boston-based Rasky Partners Inc.

It added that Malaysian authorities had said there was "no evidence of any misappropriation of 1MDB funds", the allegations had not been proven in any jurisdiction elsewhere, and "this development in Singapore does not change that".

"This is an example of overreach with a politically motivated and selectively chosen narrative alleging 1MDB as a "victim", it said, adding that "the allegations are flawed, biased and create an inaccurate picture."

The prosecutor had called for a stiff sentence for Yeo as a deterrent, partly in order to protect Singapore's standing as an international financial center.

In May, Singapore's central bank said it had ended its review of banks with 1MDB-linked transactions.

As part of the two-year review, Singapore shut down the local units of BSI Bank and Falcon Bank due to failures of money laundering controls and improper conduct by senior management, froze millions of dollars in bank accounts and charged several private bankers.

A spokeswoman for EFG International, which now owns BSI Bank, declined to comment.

Stefano Coduri, group chief executive of BSI Bank, stepped down after the closure of its Singapore operations last year and the bank said it took steps to strengthen management, such as introducing a new chief risk officer and appointing a new group legal counsel..

Two other former BSI staffers have been convicted and sentenced on charges stemming from the money-laundering investigation linked to 1MDB.

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